

**STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD**

In re: Application of)
Coleen Condon Kohaut and) GMCB-012-15con
Callie Kohaut to Purchase)
Equity Interests of)
Franklin County Rehab Center, LLC)
_____)

CERTIFICATE OF NEED

The Green Mountain Care Board issues this certificate of need (CON) pursuant to 18 V.S.A. § 9431 *et seq.* (Health Facility Planning) to Coleen Condon Kohaut and Callie Kohaut (the applicants) to purchase the remainder of equity interests in Franklin County Rehab Center, LLC.

The Board issues this CON based on the Findings of Fact and Conclusions of Law in the Statement of Decision and Order in this docket, and subject to the requirements and conditions set forth below.

Project Description and Scope

Coleen Condon Kohaut and Callie Kohaut, seek to purchase the remaining 99 percent of equity interests in Franklin County Rehab Center, LLC (the Project), which operates Franklin County Rehab Center, a skilled nursing facility in St. Albans. The facility is currently family-owned by Philip Condon (74 percent), the Tressa Condon Trust (25 percent) and Coleen Condon Kohaut (one percent).

The purchase price is \$5,940,000, plus 99 percent of current assets, minus 99 percent of current liabilities, to be calculated by agreement on the closing date of the purchase. The purchase price will be paid as follows: 1) a gift from Philip Condon to Coleen Kohaut and Callie Kohaut in the amount of \$600,000 each, for a total gift of \$1.2 million; 2) a promissory note from the purchasers in favor of Mr. Condon in the amount of \$3,543,030.32; and 3) a promissory note from the purchasers in favor of the Tressa Condon Trust in the amount of \$1,196,969.68.

The Project is outlined in greater detail in the Statement of Decision and Order in this docket, incorporated herein and issued today by the Board.

Requirements and Conditions

The Project, subject to the following requirements and conditions, meets the statutory criteria set forth in Section 9437 of Title 18:

1. The applicants shall develop and operate the Project in strict compliance with its scope as described in the application, in other materials in the record submitted by the applicants,

and in strict conformance to the Findings of Fact and Conclusions of Law set forth in the Statement of Decision and Order in this docket, and subject to the requirements and conditions herein.

2. The Project shall be fully implemented within one (1) year of the date of this certificate of need, or the certificate of need shall become invalid and deemed revoked.
3. Noncompliance with any provision of this certificate of need or with applicable ordinances, rules, laws and regulations constitutes a violation of this certificate of need and may be cause for enforcement action pursuant to 18 V.S.A. §§ 9445, 9374(i), and any other applicable law.
4. This certificate of need is not transferable or assignable and is issued only for the premises and entities named in the application.
5. If the applicants contemplate or becomes aware of a potential or actual nonmaterial change as defined in 18 V.S.A. § 9432(12) or a material change as defined in 18 V.S.A. § 9432(11) to the scope or cost of the Project as described in its application and designated in this certificate of need, the applicants shall file a notice of such change immediately with the Board. The Board shall review the proposed change and advise the applicants whether the proposed change is subject to review.
6. The applicants shall file two (2) implementation reports with the Board. The first report shall be filed six months from the date on which the applicants commence ownership and operations of Franklin County Rehab Center, LLC; the subsequent report shall be filed six months thereafter. The implementation reports shall include
 - a. the most recent CMS “Nursing Home Compare” ratings for the facility including detail on all reported categories including quality measures and surveys conducted; and
 - b. verification that no material or nonmaterial changes have occurred or are contemplated.
7. After notice and an opportunity to be heard, the Board may in its discretion make such further orders as it finds necessary or appropriate to accomplish the purposes of this certificate of need and to ensure compliance with its terms and conditions.
8. All reports, notices, forms, information or submissions of any kind required to be submitted to the Board shall be signed by the applicants’ chief executive officer and verified by the chief executive officer, or by his or her designated representative.
9. The conditions and requirements contained in this certificate of need shall remain in effect for the duration of the reporting period defined in paragraph 6, above.

SO ORDERED.

Dated: December 23, 2016 at Montpelier, Vermont.

<u>s/ Alfred Gobeille</u>)	GREEN MOUNTAIN
)	CARE BOARD
<u>s/ Cornelius Hogan</u>)	OF VERMONT
)	
<u>s/ Jessica Holmes</u>)	
)	
<u>s/ Robin Lunge</u>)	
)	
<u>s/ Betty Rambur</u>)	

Filed: December 23, 2016

Attest: s/ Marisa Melamed
Green Mountain Care Board
Health Policy Analyst